

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: CITY OF NEOLA and HARRISON COUNTY RURAL ELECTRIC COOPERATIVE	DOCKET NO. SPU-01-4
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**ORDER GRANTING PETITION FOR MODIFICATION
OF SERVICE AREA BOUNDARIES**

(Issued April 26, 2001)

On March 26, 2001, the City of Neola (Neola) and Harrison County Rural Electric Cooperative (Harrison) filed a joint petition for modification of electric service area boundaries pursuant to 199 IAC 20.3(9). The petition included a service area agreement between Neola and Harrison. No objections to the petition were filed.

Neola and Harrison request the Board transfer from Harrison to Neola the service territory in Pottawattamie County described as follows:

Beginning at the East ¼ Corner of Section 24, thence West along the East-West centerline of Section 24 to the Southwest Corner of the Southeast ¼ Southwest ¼ Northeast ¼ of Section 24, thence North to a point which is S0°11'50"E 1,330 feet and S89°45'50"E 660.77 feet from the North ¼ Corner of said Section 24, thence East parallel with the South line of the North ½ Northeast ¼ of said Section 24 and the North ½ Northwest ¼ of said Section 19 to the centerline of Iowa Highway 191, thence Southerly along the centerline of Iowa Highway 191 to the East-West centerline of said Section 19, thence West along the East-West centerline of said Section 19 to the point of beginning, Section 19 being in Township 77N Range 41W, and Section

24 being in Township 77N Range 42 W, Pottawattamie
County, Iowa.

In support of the petition, Neola and Harrison state that Neola is currently serving five customers in the described territory, some of which is located within Neola's corporate city boundaries but within Harrison's exclusive electric service territory. Harrison currently has no distribution lines in the area while Neola has existing lines in place. Neola also states it intends to extend its corporate city boundaries to include the entire area and would like to serve all customers located within city limits. Harrison states it has agreed to the transfer, effective May 1, 2001, provided that Neola pays the costs of all surveys and maps showing the changes. Neola has agreed to these terms.

Iowa Code § 476.25 (2001) provides in pertinent part:

Contracts between electric utilities to designate service areas and customers to be served by the electric utility or for the exchange of customers between electric utilities, when approved by the board, shall be valid and enforceable and shall be incorporated into the appropriate exclusive service areas established pursuant to subsection 1 of this section. The board shall approve a contract if it finds that the contract will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and customers affected, will promote the efficient and economical use and development of the electric systems of the contracting electric utilities, and is in the public interest.

The Board will grant the Neola and Harrison joint petition for modification of service area boundaries. Neola and Harrison have alleged facts which establish the proposed modification is in the public interest, will prevent unnecessary duplication of facilities, provide adequate electric service to all customers affected, and will

promote the efficient and economical use of electrical systems, pursuant to Iowa Code § 476.25.

IT IS THEREFORE ORDERED:

The joint petition for modification of service area boundaries filed by the City of Neola and Harrison County Rural Electric Cooperative on March 26, 2001, is granted, subject to complaint or investigation, effective May 1, 2001.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Judi K. Cooper
Acting Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 26th day of April, 2001.